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cpih@sidley.com

April 1, 2003

By Overnight Mail

Daniel J. Silver
421 South Capitol Way
Suite 303
Olympia, Washington 98501

Re: Delivery of certain documents regarding the Stock Purchase Agreement, dated as of March 31, 2003, among Americas Mining Corporation, SPHC II Incorporated, Southern Peru Holdings Corporation and ASARCO Incorporated (the "Stock Purchase Agreement").

Dear Mr. Silver:

In connection with the consummation of the Stock Purchase Agreement, enclosed please find the following documents:

1) An originally executed Promissory Note due May 31, 2010, in the principal amount of \$100,000,000, made by Americas Mining Corporation in favor of Southern Peru Holdings Corporation.

2) An executed copy of the Guaranty, dated as of March 31, 2003, made by Grupo Mexico, S.A. de C.V. in favor of Southern Peru Holdings Corporation.

3) A copy of the Irrevocable Assignment and Acknowledgment of Assignment, dated as of March 31, 2003, by and between ASARCO Incorporated and Daniel J. Silver, as trustee of the ASARCO Trust.

Daniel J. Silver
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4) A copy of the ASARCO Trust Agreement, dated as of March 31, 2003, by and between ASARCO Incorporated and Daniel J. Silver, as trustee of the ASARCO Trust.

Please feel free to contact me if you have any questions.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Christopher A. Pih".

Christopher A. Pih

Enclosures

cc: Timothy K. Webster, Esq.

SIDLEY AUSTIN BROWN & WOOD LLP

COPY

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WRITER'S DIRECT NUMBER
(202) 736-8271

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amacbeth@sidley.com

April 7, 2003

Via Overnight Express

David Dain, Esq.
Steve Keller, Esq.
Kim Sabo, Esq.
Environmental Enforcement Section
U.S. Department of Justice
1425 New York Avenue, N.W., 13th Floor
Washington, D.C. 20005

Re: United States v. ASARCO Incorporated

Dear David, Steve, and Kim:

I write to inform you that ASARCO has concluded the sale of its interest in Southern Peru Copper Corporation ("SPCC") in accordance with the terms and conditions of the Consent Decree in the above matter.

First, attached please find a set of closing documents, including fully executed versions of Appendices A-H of the Consent Decree. Except for filling in blanks (e.g., the addition of dates, signatory information, and, for the Trust Agreement, designation of Arizona for choice of law purposes as approved by the United States), the final documents are identical to the Consent Decree attachments.

Second, all events that were required by Paragraph 6(a) of the Consent Decree occurred as of the Closing Date (as defined in the Consent Decree). In particular, I have been informed that the following occurred on or before March 31, 2003 (entries are keyed to subparagraphs 6(a)(i) through (xi) of the Consent Decree with references to exhibits from the attached compilation of closing documents):

- i. 43,348,949 shares of SPCC Class A Common Stock were transferred from Southern Peru Holdings Corporation to SPCH II Incorporated; a copy of the cancelled stock certificate and a document evidencing the transfer are attached (Exhibits 13 and 14);

David Dain, Steve Keller & Kim Sabo

April 7, 2003

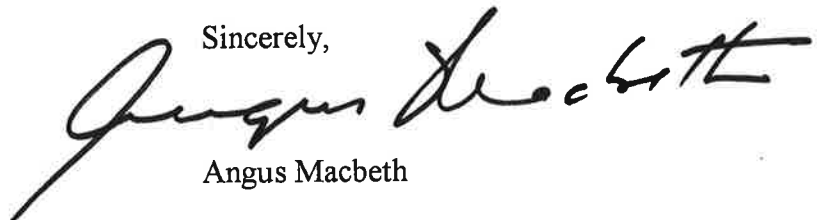
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- ii. The seller was paid \$500 million, and \$450 million was used to satisfy the revolver notes; copies of the receipts showing these payments are attached (Exhibits 10 and 11);
- iii. The revolver notes were completely satisfied; a copy of the payoff letter is attached (Exhibit 12);
- iv. The \$41.75 million debt has been cancelled; a copy of the executed cancellation of indebtedness is attached (Exhibit 5);
- v. Note A was executed and delivered (Exhibit 2);
- vi. Note B was executed and delivered (Exhibit 3) (Note B has now been forwarded to the Trustee of the Environmental Trust);
- vii. The Guaranty was executed and delivered (Exhibit 4) (The Guaranty has now been forwarded to the Trustee of the Environmental Trust);
- viii. SPCH assigned Note B and the Guaranty to ASARCO (Exhibit 6);
- ix. The Trust Agreement was fully-executed (Exhibit 9);
- x. The Security Agreement was executed and subsequently perfected in New Jersey; a copy of the relevant UCC filing has been provided separately (Exhibit 8); and
- xi. ASARCO assigned Note B and the Guaranty to the Trustee; these two assets have been provided to the Trustee (Exhibit 7).

Because all of the conditions of Paragraph 6(a) were met, the Stipulation (as defined in the Consent Decree) precluding the transfer of ASARCO's interest in SPCC was deemed terminated pursuant to Paragraph 7 of the Consent Decree, and the transaction was therefore fully and validly concluded on March 31, 2003.

Please let me know should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Angus Macbeth", written in a cursive style.

Angus Macbeth

David Dain, Steve Keller & Kim Sabo
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Attachments

cc: Douglas McAllister, Esq.
Armando Ortega, Esq.
James Sabella, Esq.
Tim Webster, Esq.
Richard Agster, Esq.
Dan Silver, Trustee